

PSC NO: 219 GAS
 NIAGARA MOHAWK POWER CORPORATION
 INITIAL EFFECTIVE DATE: 06/01/10

STATEMENT TYPE: MCG
 STATEMENT NO: 85
 PAGE 1 OF 2

MONTHLY COST OF GAS STATEMENT
Applicable to Billing for Service Classification Nos. 1 & 2

| | SC1 | SC2 | SC2 |
|--|------------------|---|---------------------------------|
| | Per Therm | Residential & Commercial Per Therm | Industrial Per Therm |
| As determined on: May 27, 2010 | | | |
| Supplier Rates in effect on: June 1, 2010 | | | |
| Weighted Average Commodity Cost of Gas as defined in General Information Rule 17.3.3: | \$0.505405 | \$0.505405 | \$0.505405 |
| Weighted Average Demand Cost of Gas as defined in General Information Rule 17.3.4: | \$0.067100 | \$0.067100 | \$0.057035 |
| Total Weighted Average Cost of Gas: | \$0.572504 | \$0.572504 | \$0.562440 |
| Factor of Adjustment: | 1.016200 | 1.016200 | 1.016200 |
| Resulting Monthly Cost Adjustment is: | \$0.581770 | \$0.581770 | \$0.571550 |
| Reconciliation of Gas Cost Recoveries to Gas Costs Incurred Applicable to Period: Twelve Months Ending 8/31/09 Refund Effective: 1/1/10 through 12/31/10 | (\$0.03262) | (\$0.03262) | (\$0.03262) |
| TOTAL EFFECTIVE MONTHLY COST OF GAS: Commencing with usage on or after the effective date of this statement and thereafter until changed. | \$0.54915 | \$0.54915 | \$0.53893 |

Issued by: Thomas B. King, President, Syracuse, New York

PSC NO: 219 GAS
 NIAGARA MOHAWK POWER CORPORATION
 INITIAL EFFECTIVE DATE: 06/01/10

STATEMENT TYPE: MCG
 STATEMENT NO: 85
 PAGE 2 OF 2

MONTHLY COST OF GAS STATEMENT
Applicable to Billing for Service Classification Nos. 3, 12 & 13

| | SC3 | SC12 | SC13 |
|---|-------------------------|-------------------------|-------------------------|
| | Large Comm. | Distributed | Distributed |
| | & Industrial | Generation | Generation |
| | <u>Per Therm</u> | <u>Per Therm</u> | <u>Per Therm</u> |
| As determined on: May 27, 2010 | | | |
| Supplier Rates in effect on: June 1, 2010 | | | |
| Weighted Average Commodity Cost of Gas as defined in General Information Rule 17.3.3: | \$0.505405 | \$0.505405 | \$0.505405 |
| Weighted Average Demand Cost of Gas as defined in General Information Rule 17.3.4: | \$0.048312 | \$0.024156 | \$0.037576 |
| Total Weighted Average Cost of Gas: | \$0.553717 | \$0.529561 | \$0.542981 |
| Factor of Adjustment: | 1.016200 | 1.016200 | 1.016200 |
| Resulting Monthly Cost Adjustment: | \$0.562680 | \$0.538130 | \$0.551770 |
| Reconciliation of Gas Cost Recoveries to Gas Costs Incurred Applicable to Period: Twelve Months Ending 8/31/09. Refund Effective: 1/1/10 through 12/31/10 | (\$0.03262) | (\$0.03262) | (\$0.03262) |
| TOTAL EFFECTIVE MONTHLY COST OF GAS: | \$0.53006 | \$0.50551 | \$0.51915 |
| Commencing with usage on or after the effective date of this statement and thereafter until changed. | | | |

Issued by: Thomas B. King, President, Syracuse, New York